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C O N F I D E N T I A L SECTION 01 OF 02 RABAT 000362

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TAGS: PREL PTER KISL ETRD MO LY AG TS XA XF

SUBJECT: AMU INCREASING CT FOCUS, ADVANCING TRADE DIALOGUE,

BUT POLITICAL CHASMS REMAIN

REF: 06 RABAT 1764

Classified by DCM Wayne Bush for reasons 1.4 (b) and (d).

Summary

11. (C) Foreign Ministers from Morocco, Algeria, Mauritania, Tunisia, and Libya gathered in Rabat February 10-11 for the 26th Ministerial Council meeting of the Arab Maghreb Union (AMU). A senior AMU contact told us discussions among the Ministers reflected increased focus in AMU fora on stemming extremist thought and expanding practical CT cooperation. The Ministers also agreed to increase efforts to establish a North African Free Trade Zone and to work to harmonize agricultural and water policies. The AMU Ministers welcomed the Mecca Agreement, voiced concern about Darfur, and even expressed solidarity with Libya in the face of criticism of the Bulgarian nurses' trial. AMU officials said there is tentative planning to hold a summit in Tripoli in June. Despite the recent flurry of activity, outside observers are skeptical that AMU initiatives will have a tangible impact absent broader political rapprochement among member states. End summary.

CT's Rising Profile in the AMU

- 12. (C) Zoheir Merchaoui, Political Minister-Counselor at the Arab Maghreb Union Secretariat in Rabat, briefed poloff on February 20 on the outcome of a recent flurry of meetings in AMU fora, punctuated by the February 10-11 Ministerial. A Tunisian diplomat and long-time aide to AMU Secretary-General Habib Ben Yahya, Merchaoui said that the Ministers, building on preceding experts' discussions, agreed on the outlines of an initiative to form a "comprehensive, joint policy" on youth affairs primarily an effort to counter the spread of extremism. Participants recognized that existing efforts to foster youth through education and social programs were insufficient to counter the spread of extremist thought, and agreed that their respective governments should pool resources and coordinate efforts to promote "enlightened" visions of Islam and society.
- 13. (C) Merchaoui also offered that technical cooperation on counterterrorism is increasing in AMU fora. Discussions among experts from AMU states, meeting to prepare for the Ministerial, included consideration of regional trends in terrorism, he noted. Interior Ministers from AMU states are scheduled to meet in May, according to Merchaoui, and working level MOI officials will gather in Tripoli in March to lay the groundwork. The MOIs' meeting will be an important opportunity for regional governments to expand practical cooperation in the face of evolving terrorist threats, Merchaoui opined.

NAFTA - North African Style

- 14. (C) Again building on preceding consultations among experts, the AMU Ministers also agreed in Rabat to step up efforts to establish a North African Free Trade Zone. From a technical perspective, the trade talks have reached an advanced stage, Merchaoui maintained. The principle of a regional FTA has been agreed upon for more than a decade, he noted, remarking that trade officials from AMU states were currently considering technical questions involving compensation for industries that would be negatively affected by an end to trade barriers, and other technical questions for member states' customs departments. Acknowledging skepticism that a regional FTA process could move forward in the current political environment, Merchaoui believed regional governments were now, more than in the past, recognizing the linkages between economic development and internal stability, and appreciating regional free trade as an option that can not be ignored.
- 15. (C) Other economic initiatives taken up by the AMU Ministers were projects to harmonize regional agriculture and water policies. The Tunisian delegation also made a strong push for the formation of a Maghreb Development Bank, which would be headquartered in Tunis with initial capital of USD 500 million. Though all AMU states had agreed in principle, an Algerian diplomat told poloff, there was disagreement on timing the Tunisians sought to fast-track the effort, while the Algerians wanted to ensure the structure and modalities of the bank were well-conceived before the bank was operationalized. Just after the Ministerial's conclusion, private sector leaders and sundry government officials from

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across the AMU region convened in Marrakech, where they agreed on February 17 to form the Maghreb Business Union, intended to bolster the private sector's role in regional development.

Positions on Regional Issues

16. (C) The AMU Ministers' discussions also took up current conflicts and issues facing the greater region. The Ministers welcomed the Mecca Agreement, hoping that it represented a break in the intra-Palestinian stalemate and an opportunity to move forward with the peace process. The Ministers expressed concern about continuing strife and humanitarian crisis in Darfur, but adhered to the current Arab League position on the way forward. The Ministers even released a communique expressing solidarity with Libya in the face of criticism of the Bulgarian nurses' trial, calling on European media to cease its attacks on the integrity of the Libyan justice system.

Summit

17. (C) Merchaoui said there is tentative planning to hold a summit of AMU heads of state in Tripoli in June, though allowed that this date could slip. The last AMU Summit was in Algiers in 1994.

Can the AMU Move From Theory to Practice?

18. (C) In a recent discussion of the AMU, Moroccan academics Abdallah Saaf and Mohammed Haddy, each specialized in regional security affairs, told us that the need for security cooperation among member states appears greater than ever.

Though the AMU's founding document, the 1989 Treaty of Marrakesh, focused more on conventional military/security threats, the real threat in the region today obviously comes from unconventional indigenous terror groups like the GSPC, which recently publicized its merger with the Al-Qaida network.

19. (C) Ironically, Haddy opined, the prospect that instability could spill across borders could increase mutual distrust between states even as it highlights common danger. Both emphasized that political rapproachement among the states was prerequisite to any significant progress for the AMU process, even in innocuous technical fields. The Western Sahara dispute, which has fueled a sort of cold war between Morocco and Algeria since the 1970s, is only the most obvious of a number of political obstacles.

Riley